

RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION AWARDING THE SHERWOOD RECREATION CENTER
BUILDING IMPROVEMENT, CIP 9535, TO OTTO CONSTRUCTION**

WHEREAS, the City of Salinas receives and administers United States Department of Housing and Urban Development (“HUD”) entitlement Community Development Block Grant (“CDBG”) funds for addressing identified needs in the 2020-2024 Consolidated Plan that identified the Sherwood Recreation Center as a priority project; and

WHEREAS, the Project will be fully funded using HUD CDBG funds as authorized by Council in its U.S Department of Housing and Urban Development FY 2021-22, 2022-23, 2023-24, and 2024-25 Annual Action Plans and Substantial Amendments; and

WHEREAS, on July 20, 2023, the Community Development Department approved proposals for Sherwood Recreation Center, and CSG initiated its service provision under the approved agreement; and

WHEREAS, on January 30, 2025, City staff submitted the Request for Release of Funds and Certification to HUD and on March 7, 2025, the City received the Authority to Use Grant Funds from HUD which then allowed City staff to issue the project bid on June 4, 2025; and

WHEREAS, City Engineer approved the project plans and specifications and authorized the call to bids for this project with bid submittal date on July 15, 2025; and

WHEREAS, representatives of the Public Works Department and Community Development Department of Salinas on July 15, 2025, at a public meeting held via Zoom meeting from City Hall, at Salinas, California, publicly opened and read all bids delivered electronically via the PlanetBids website for the Sherwood Recreation Center Building Improvement , CIP 9535 in accordance with the specifications for such work now filed in the office of City Clerk; and

WHEREAS, the lowest responsive and responsible bidder, Otto Construction, submitted a bid that is below the engineer’s estimate and sufficient funds are available to award this project; and

WHEREAS, it is the City staff recommendation to award the project to Otto Construction in the amount of \$2,686,900; and

WHEREAS, City staff thereupon reported the results of the bidding to the City Council at its regular meeting on August 26, 2025, and the City Council in open session at said meeting examined the report of staff.

NOW, THEREFORE, BE IT RESOLVED pursuant to Salinas Municipal Code Section 12-21, in reference to the “Sherwood Recreation Center Building Improvement , CIP 9535”, that all of said bids or proposals are rejected except the bid from Otto Construction, (hereinafter referred to as “The Successful Bidders”), being the lowest and best bids (based on the specification’s criteria for award) which is hereby accepted. The subject contract is hereby awarded to said Successful Bidders for the sum of \$2,686,900 and more specifically at the unit prices set forth and contained in the Proposal for the “Sherwood Recreation Center Building Improvement, CIP 9535”, of said Successful Bidders, filed in the office of the City Clerk. Said

sum shall be paid by the City of Salinas to said Successful Bidder, payable at the time and manner specified in the plans and specifications and contract documents for the project, entitled, “Sherwood Recreation Center Building Improvement, CIP 9535”; and

BE IT FURTHER RESOLVED that said plans and specifications are hereby accepted and adopted for said work and are also referred to for all of the details and particulars thereof, and said plans and specifications are by reference incorporated in and hereby made a part of this resolution; and

BE IT FURTHER RESOLVED that that the City Manager of Salinas is hereby authorized and directed on behalf of the City of Salinas to execute a contract consistent with the Proposal of said Successful Bidder for said work; and

BE IT FURTHER RESOLVED that the City Council authorizes the Public Works Director to approve contract change orders up to an additional \$538,000 for contingencies, approximately 20% of the contract amount for the Sherwood Recreation Center Building Improvement, CIP 9535; and

BE IT FURTHER RESOLVED that the City Council authorizes the appropriation of \$3,623,602 from Community Development Block Grants (CDBG) funds to the CIP 9535 fund.

PASSED AND APPROVED this 26th day of August 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk